Communicating Risk for Attention and Action

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Communication is difficult, especially when we are dealing with uncertainties that matter. People need to know which uncertainties are most important, and what can be done to manage them effectively and proactively. Risk communication has two purposes:

- 1. **Attention**. Tell people things they need to know that they do not know already.
- 2. **Action**. Encourage people to do things they need to do that they are not doing already.

It is really important to communicate clearly about risk, and this should not be left to chance. Following a simple structured approach to risk communication will help to ensure that each person or group receives risk information that enables them to **pay attention** and **take action**. Effective risk communication requires three steps:

- 1. Analysis Who needs what? Answer the following questions for each person or group:
 - O What risk information do they need?
 - O What do they need it for, and how will they use it?
 - o What level of detail and precision do they require?
 - When do they need risk information to be supplied?
 - o How frequently will they need updates?
- 2. Design What shall we produce? Consider the following factors:
 - Content. Design outputs that meet the needs identified in the first step. A range of risk outputs may be required at different levels of detail, and it is more efficient to design outputs in a hierarchical manner if possible, to avoid the overhead of producing multiple versions. For example, high-level reports can be generated as summaries of low-level reports.
 - Delivery method. Alternative types of communication should be identified, allowing us to choose a method that is appropriate for each person. These might include written reports in hard-copy or electronic format (email, intranet, website, accessible databases), verbal reports (briefings, presentations, progress meetings), graphical or numerical outputs (tables, charts, posters) etc.
 - Responsibilities. For each output, identify who will be responsible for its production, and who will approve it. A RACI analysis might also be useful (Responsible, Approval, Contributor, Information).

3. Delivery – Is it working? The approach should be documented in the Risk Management Plan or Communication Plan, and then it can be implemented, delivering risk outputs as defined. After one or two cycles of risk reporting, the process should be reviewed and validated with those receiving the risk information, to check whether their needs are being met, or whether adjustments are required. Periodic reviews of the risk communication approach should also be planned, as people's needs for risk information are likely to change with time.

The first reason we need risk communication is to bring risks to the attention of the people who need to know about them. But awareness and knowledge is not sufficient; most risks also require action to ensure that they are properly managed. As we consider the best way to communicate risk information, we should make sure that our communications help people to **pay attention** to the most important risks, as well as encouraging them to **take action** to manage them effectively.

To provide feedback on this Briefing Note, or for more details on how to develop effective risk management, <u>contact the Risk Doctor</u> (<u>info@risk-doctor.com</u>), or <u>visit the Risk Doctor website</u> (<u>www.risk-doctor.com</u>).

About the Author



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Dr David Hillson CMgr FRSA FIRM FCMI HonFAPM PMI-Fellow is The Risk Doctor (www.risk-doctor.com). As an international risk consultant, David is recognised as a leading thinker and expert practitioner in risk management. He consults, writes and speaks widely on the topic and he has made several innovative contributions to the field. David's motto is "Understand profoundly so you can explain simply", ensuring that his work represents both sound thinking and practical application.

David Hillson has over 25 years' experience in risk consulting and he has worked in more than 40 countries, providing support to clients in every major industry sector, including construction, mining, telecommunications, pharmaceutical, financial services, transport, fast-moving consumer goods, energy, IT, defence and government. David's input includes strategic direction to organisations facing major risk challenges, as well as tactical advice on achieving value and competitive advantage from effectively managing risk.

David's contributions to the risk discipline over many years have been recognised by a range of awards, including "Risk Personality of the Year" in 2010-11. He received both the PMI Fellow award and the PMI Distinguished Contribution Award from the Project Management Institute (PMI®) for his work in developing risk management. He is also an Honorary Fellow of the UK Association for Project Management (APM), where he has actively led risk developments for nearly 20 years. David Hillson is an active Fellow of the Institute of Risk Management (IRM), and he was elected a Fellow of the Royal Society of Arts (RSA) to contribute to its Risk Commission. He is also a Chartered Fellow of the Chartered Management Institute (CMI) and a Member of the Institute of Directors (IOD).

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